

No. 20275

IN THE

United States Court of Appeals
FOR THE NINTH CIRCUIT

COUNTY OF VENTURA,

Appellant,

vs.

O. V. BLACKBURN,

Appellee.

On Appeal From the United States District Court for the
Southern District of California, Central Division.

APPELLEE'S BRIEF.

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APPELLEE'S BRIEF.

Statement of the Case.

We controvert the Appellant's (hereinafter called the County) Statement of the Case both in the outright statements of fact, and in the emphasis given. Much of it differs from the Findings of Fact, *e.g.*, the County states: "All of the information depicted on the map was taken from public records and governmental sources," (County Br. p. 2, lines 15-17), which differs from the evidence and the findings [R. 162; R. 69-70] thus attempting to subtract from and reduce to minuscule proportions the actual scope of Blackburn's creativity, sources and the originality of his work.

While the word "royalty" was not used by the County's lawyers in drafting the contract, nevertheless, the \$1,900.00 paid was clearly for the *use* of the "dupli-

cates" of the negatives. Moreover, Reporter's Transcript 71 does *not* say or imply that "all persons who participated in the actual negotiation for the County were dead at the time of trial." Instead, it refers to a time about 1950, and what County personnel negotiated from then to 1956 does not appear. We here note that the particular County lawyer who drew the contract was *not* produced by the County.

True, too, the specific matter of copyright notices, in those words, was not mentioned. But all persons involved *saw* the notices [Exs. 2-A to 2-I, inc.] on the negatives [Find. IX, R. 163] and the only rights to copy granted by the contract [Ex. 1] were "the right to obtain *duplicate* tracings on linen from the photographic negatives," and "the right to reproduce from said *duplicate* tracings any and all maps necessary for County use," and "to sell prints of said *duplicate* tracings to the public . . ."

Blackburn not only "testified that the negatives provided . . . did contain copyright notices", but he *demonstrated* it by a showing of the negatives [Pltf. Exs. 2-A to 2-H, inc.]. These were admitted into evidence as Exhibits 2-A to 2-I, inc., R. Tr. p. 23; and replaced by blueprints [R. Tr. p. 45].

Witness Renie testified as to the value of the *copyright* [R. Tr. pp. 81-82] not the value of the "map prior to the agreement" (County Br. p. 4, lines 7-10).

The statement (County Br. p. 5, lines 6-13) is a strained and erroneous interpretation of the Court's rul-

ing. True, no witness had been on the stand, and hence it can be literally (and most narrowly) stated that "before the taking of testimony, the Court held as matter of law that the map was copyrightable." Reporter's Transcript, pages 8-9 is cited. This interpretation by the County omits the context on page 7, to say *nothing* of the evidence [R. 69, Answers to Interrogatories] of the work done producing the map, and again in misstating the lower court's (obviously tentative) statement (by no means a "holding")—"but you did not buy the right to destroy his copyright." The Judge was merely voicing generalities with a view to orienting his mind to the trial of the case before him.

For reasons such as the foregoing, and to avoid, if possible, on our part, a tediously detailed picking apart of the County's Brief, we respectfully cite to the Court the rule that every intendment, on appeal, is to be resolved in favor of the judgment of the lower court.

Townsend v. Jemison, 48 U.S. 706, 7 How. 706,
12 L. Ed. 880;

Bowley v. Griswold, 87 U.S. 486, 20 Wall. 486,
22 L. Ed. 375;

Hardt v. Kirkpatrick (9 Cir. 1937), 91 F. 2d
875, cer. den. 58 S. Ct. 762; 303 U.S. 626,
82 L. Ed. 1088.

This is a copyright infringement case and there is no question but that the defendant has directly copied, published and sold—for years—copies of plaintiff's map without the statutory notices affixed.

Originality.

As almost always, the accused culprit urges want of originality.

Disregarding, with barefaced, unabashed abandon, its own lawyer's contract (the subject [R. 100, line 13] of which [Ex. 1] is a map "copyrighted, compiled and published by O. V. Blackburn"), the County attempts to support its claim of lack of originality, not only by a belittlement of the plaintiff's work, but also by an out-of-context, oblique gesture towards the trial judge (County's Br. pp. 8-11). The judge, in his comments [R. Tr. pp. 6-9] was using an example—trying to find the city of Oak View in Ventura County—to show the difficulty of the work of making a map. His were illustrative remarks and were by no means the basis of his ruling on the issue. Quite patently, he had thoroughly read both the Pre-Trial Conference Order and the Interrogatories and all answers thereto [R. 69, Answer to Interrogatory No. 25]. From that and the pre-trial stipulated facts [R. 144, Par. F], the originality is clear and the judge obviously had all that in mind.

To County's argument that Blackburn only used "public domain" sources (County's Br. p. 11), the obvious answers are:

(1) *All* maps, in essence, must be assembled, collated, prepared and compiled from information from the "public domain" since they depict and represent parts of the world.

(2) This is no barrier to their being copyrightable. The "originality" requirement for copyrightability in our law is not onerous. In *Alfred Bell & Co. v. Catalda*

Fine Arts, Inc. (2 Cir. 1951), 191 F. 2d 99, 102-103, Judge Frank, for a unanimous court, said:

"It is clear, then, that nothing in the Constitution commands that copyrighted matter be strikingly unique or novel. Accordingly, we were not ignoring the Constitution when we stated that a 'copy of something in the public domain' will support a copyright if it is a 'distinguishable variation'; or when we rejected the contention that 'like a patent, a copyrighted work must be not only original, but new', adding, 'That is not . . . the law as is obvious in the case of maps or compendia, where later works will necessarily be anticipated.' All that is needed to satisfy both the Constitution and the statute is that the 'author' contributed something more than a 'merely trivial' variation, something recognizably 'his own.' Originality in this context means little more than a prohibition of actual copying."

See also:

Troweler v. Phillips, 260 F. 2d 924 (9 Cir., 1958).

(3) Even the "direct observation" requirement of *Amsterdam v. Triangle Publications*, 189 F. 2d 104 (relied on by County) has been met:

"I started the creation of Blackburn's Map of Ventura County in 1938. The map was made at 600 ft. scale. It had to be drawn, scaled with a great degree of accuracy and was considered fine. After the map was drawn, and after many months of drafting and making the map, other things such as roads, canals, etc., had to be placed on the map. A large percentage of the roads and streets were taken from government maps. Identification

of owners and parcels were taken from the Ventura County Assessor's records by me and were compiled personally by me. In addition, there were rivers, the Santa Clara River, for instance, was taken from aerial photographs of the U. S. Government maps, and canyons, creeks, drainage channels from government maps. In addition to making the map originally and checking up various legal descriptions of boundaries of cities, etc., they did not agree with photographic information I had and which I had found were incorrect on the Ventura County maps and afterwards submitted five or more of these discrepancies of the county's surveyor. It is my understanding that the Board of Supervisors took action to make these corrections that I submitted." (Our Emphasis) [R. Tr. p. 69, line 20, to p. 70, line 5].

It is quite obvious, thus, that plaintiff both made the map originally, and then checked the photographic and public domain information he had acquired against the actual boundaries, and had found the "public domain" material in error.

This first argument of the County is, in essence, an attack upon the findings of fact [No. VII, R. 162] and if there is any substantial evidence to support it, as we believe we have demonstrated, the finding should not be disturbed upon appeal.

As to copyrightability, see:

Hammond v. International, 210 F. Supp. 206;
Marken & Beilfield, Inc. v. Baughman Co., 162 F. Supp. 303;
Emerson v. Davies, 8 Fed. Case 615, 619.

The unfair stringency of the “direct observation” rule (*Amsterdam v. Triangle Publications*, 189 F. 2d 104 urged by County) is severely criticised by Professor Melville Nimmer on page 82 of his treatise on copyrights as follows:

“The fallacy of the direct-observation rule stems from the Amsterdam Court’s misunderstanding of the copyright concept of originality. The court proceeded from the undoubted premise that ‘To be copyrightable a map must be the result of some original work’ to the false conclusion that ‘original work’ somehow requires direct observation. The Amsterdam court cited *Andrews v. Guenther*, [60 F2d 555 (S.D.N.Y. 1932)] as authority for the direct-observation rule. Yet, the Andrews case, although somewhat ambiguous, merely held that no copyright may be claimed in the absence of both direct observation and originality in selection of public domain materials (See §18.31) and indeed recognized that there may be copyright protection for a map as a compilation where there is a modicum of creative selection as distinguished from mere copying.

“Subsequent to the Amsterdam opinion, the direct-observation rule seems to have been rejected in *C. S. Hammond & Co. v. International Globe, Inc.* [210 F.Supp. 206 (S.D.N.Y. 1962)] in which the Court found sufficient originality to support a copyright in the exercise of judgment in the selection of particular place names from prior works. The validity of the direct-observation rule as applied to maps was briefed and argued in *Trowler v. Phillips* [260 F2d 924 (9th Cir. 1958)].

However, although the Court of Appeals reversed the summary judgment which had been granted by the district court in reliance on the direct-observation rule, the opinion does not squarely deal with this issue. Nevertheless, the following passage from the Trowler opinion suggests a departure from the direct-observation rule:

‘We believe it fair to say that his [appellant’s] account of preparing the Hesperia maps lists quite a little work done by him in preparing the map. His source material, he says, included recorded tract sheets of the Hesperia area, many sheets of the San Bernardino County road system, a county map, Dept. of Interior maps, state highway maps and Santa Fe railroad maps. He tells of problems of tying the maps together, adjustment of scales, elimination of much material from the source. He made some additions of landmarks from personal observation. Further, he says he straightened out street names.’ ”

And, so, while academically we, too, feel that the direct-observation rule is fallacious, nevertheless, the evidence here, either by applying or not applying the direct-observation rule, we submit, conclusively refutes any criticism leveled at plaintiff’s originality.

The County’s Duties.

A. The Implied Covenant.

We here first analyze and summarize the contract [Ex. 1, in Evidence, R. Tr. p. 17, Ex. A attached to Complaint, R. 5-6], the basic document in controversy:

The Parties thereto: Plaintiff, copyright and map proprietor; Defendant, County.

Recitals therein:

1. Plaintiff is the proprietor of a certain map of Ventura County, California, titled "Blackburn's Map of Ventura County, *copyrighted*, compiled and published by O. V. Blackburn."

2. County desires to obtain a *duplicate tracing* of said map, together with the right to reproduce said map for use by the County Surveyor and for sale to the public.

The Words of Grant:

Blackburn grants and sells:

1. The right to obtain *duplicate tracings* on linen from Blackburn's negatives.

2. The right to reproduce from the *duplicate tracings* any and all maps necessary for County use.

3. The right to sell prints of the *duplicate tracings* at prices determined by the County.

Conditions:

1. County to bear expense of making the *duplicate tracings*.

2. The *duplicate tracings* to become property of the County.

Restrictions:

None whatever on Blackburn's right to sell reproductions of his map to the public in Ventura County or elsewhere.

This writing, as shown above, clearly grants certain definitive rights in a copyrighted work. The designation "Titled 'Blackburn's Map of Ventura County,

copyrighted, compiled and published . . .'" can mean only that the draftsman of the contract [an official Ventura County employed District Attorney, R. 36-37, Answers to Interrogatories 2 and 3] *contemplated* a copyrighted work.

This is further borne out by the other language of the instrument whereby it specifically grants *rights* and in one place only does it mention full or any title in the Grantee County, namely, "Upon completion said *duplicate tracings* shall be the property of County." (N. B. Only the right to *duplicate tracings* is sold. Had they been *duplicates*, in fact, they would have included Blackburn's copyright notices [Exs. 2A-2H, inc.]).

The *consideration* (\$1,900.00) is "for the rights herein granted and sold." Obviously for no others.

In its point numbered II (County Br. p. 12, *et seq.*) the County continues its attempted implication derogatory to the trial judge, where it says: "at the commencement of the trial, and prior to the taking of testimony . . ." The intendment sought, *i.e.*, that the trial judge prejudged the case, we again categorically deny and, we believe, completely refute. The judge, as again we point out, "at the commencement of the trial, and prior to the taking of testimony," was fully familiar with the contract, and quite obviously had fully prepared for the trial by a thorough study of all pre-trial documents, and was readily conversant with the results of all the discovery procedures [See R. Tr. p. 5, lines 21-24; p. 10, lines 1-26].

It is true that the contract contains no mention of copyright notices, *per se*, and that such notices had never been discussed. However, at this point, the Coun-

ty now conveniently forgets its earlier position, stated at Reporter's Transcript, page 12, lines 1-5:

“Mr. Ashby: We take the position that we made a tracing of his negative and if our tracings do not have the copyright notice on it, it is not because we removed it, it is because it wasn't on the negative or it was blocked out by Mr. Blackburn.”

That such position was completely erroneous as a matter of fact, is borne out by all the evidence on the subject: see Exhibits 2-A to 2-I, inclusive; the testimony of Blackburn (utterly unanswered and undenied) at Reporter's Transcript, page 19, lines 5-8, 14-15; page 21, line 23, to page 22, line 8; page 22, lines 18-23; page 24, line 14, to page 36, line 14; completely refutes the County's first stated position. All the evidence establishes the existence of the notices on the negatives.

Who removed the notices or so traced the negatives on the linen that they had no notices (*i.e.*, were not true duplicates) is really quite clear, too. The negatives were taken away by Rice, the County's man [R. Tr. p. 20, line 24] and returned by him a week or two later still bearing notices, except the two which had been mutilated [R. Tr. p. 21, lines 19-25; p. 22, lines 1-25; concerning this mutilation of two negatives, see R. Tr. pp. 25-29, inc.].

The notices were never placed on the eight “duplicate” tracings which the County had purchased [R. Tr. p. 99, lines 12-14] from Read & Co.

So it is quite obvious that in the process at Read & Co., such changes were made that the tracings never bore any notices. They were not *duplicates*.

Read & Co. was hired and paid by the County [Deft. Ex. 4; R. 105, Ex. H, attached to Answers to Interrogatories].

So the onus must lie on the County for the absence of notices on the linen tracings made for County by Read & Co.

This, we believe, brings us to the very heart and core of the liability phase of this case:

Under Both the Contracts and the Law, the County Was Obligated to Put the Notices on the Copies of the Tracings Made by It Both for County Use and for Sale, and Failure to Do so Constituted Infringement.

This contention is based on the doctrine of implied covenants in a license.

County argues that Blackburn “forfeited” his copyright under a doctrine announced by the Hon. Learned Hand in the case of *National Comics Publications v. Fawcett Publications*, 191 F. 2d 594 (2 Cir. 1951).

A reading of that decision reveals, first, that the facts are not recited by Justice Hand (for he says, p. 597): “The opinion and decision of the district court is reported in 93 F.Supp. 349, and we shall not repeat the substance of the controversy which is there stated or the facts found.” and, second, that the doctrine urged was dependent entirely upon a hypothetical assumption as to what might have been the terms of a contract not then before the Court. At page 600, we find:

“Although the judge did not find the terms of the agreement under which they were borrowed, we must suppose that there was one; and at best ‘Mc-

Clure' could have become no more than a licensee, for it is not suggested that 'Detective' transferred the copyrights in them. The question is whether the absence of the imperfection of the notices on these 'strips' 'forfeited' their copyrights, when they were published in the 'syndicated' newspapers. The answer depends upon the terms of the contract of borrowing. Section 10 provides that the first publication on a 'work' with the 'required' notice secured the copyright; but it implies that a failure to affix the notice upon each copy, later published 'by authority of the copyright proprietor,' will 'forfeit' it; and such is the law. If 'Detective' gave 'McClure' an unconditional license to publish the 'strips,' their publication without the 'required' notice was 'by authority of the copyright proprietor,' and had the same effect upon the copyrights that similar publication by 'Detective' would have had: it 'forfeited' them unless §21 saved them. On the other hand, if 'McClure' promised to affix the 'required' notice upon the borrowed 'strips'—as it did upon the 'strips' made under the contract—the performance of that contract was a condition upon the license, for 'Detective' certainly did not mean to be remitted only to the inadequate remedy of an action for damages for breach of the promise. The decision of the Seventh Circuit in *American Press Association v. Daily Story Publishing Co.*, 120 F. 766, supports this interpretation of such a contract, and we regard it as unanswerable. 'Detective' may indeed have waived the performance of such a promise, if one was made, but the judge made no finding on the mat-

ter, and we leave the issue open, except to say that the exchange of letters between 'Detective' and 'McClure' in August, 1940, would not support a finding of waiver."

That case was remanded to find out what the contract said. Here, the contract is very much before the Court.

And so, in this case, we submit, if any "forfeiture" occurred, it was a forfeiture to the public domain. This, of course, must have been caused by the defendant's wrongfully failing to put the notice on the maps.

There is no question but that Rice, the County Surveyor, knew of the notices [R. Tr. p. 36, line 25, to p. 36, line 1; p. 66, lines 16-32; p. 67, line 1].

In *Chapel & Co., Inc. v. Costa, et al.*, 45 F. Supp. 554, we find:

"It has been stated repeatedly that after notice of copyright has been published everyone is under the duty to learn the facts concerning the copyright and copies at his peril (citing) and that the question of defendants knowledge of plaintiff's copyright does not enter the consideration upon the issue of infringement."

Here we have the fact that the contract was prepared by the County's legal staff [R. Tr. p. 36, line 11, to p. 37, line 3].

In this circuit, this situation, we submit, is governed by the doctrine stated in *Warner Bros. v. Columbia Broadcasting*, 216 F. 2d 945, 949 (9 Cir. 1954), which holds:

"The instruments under which Warner claims were prepared by Warner Bros. Corporation, which

is a large, experienced moving picture producer. It would seem proper, therefore, to construe the instruments under the assumption that the claimant knew what it wanted and that in defining the items in the instruments which it desired and intended to take, it included all of the items it was contracting to take. . . .

* * *

“As was said in *Phillip v. Jerome H. Remick & Co.*, S.D.N.Y., Op. No. 9,999, 1936, ‘Such doubt as there is should be resolved in favor of the composer. The clearest language is necessary to divest the author of the fruits of his labor. Such language is lacking here.’ See, also, *Tobani v. Carl Fischer, Inc.*, 1942, 263 App. Div. 503, 507, 33 N.Y.S.2d 294, 299, affirmed 1942, 289 N.Y. 727, 46 N.E.2d 347.”

To interpolate in a manner which we believe perfectly fits this case:

It would seem proper, therefore, that the lower court construed the instrument under the assumption that the County knew what it wanted, and that in defining the rights in the instrument which it desired and intended to take, it included *all* of the rights which it was contracting to buy, and that its legal staff knew more about contracts than did Blackburn.

Since only “*duplicates*” were to become subjects of the County’s usage, these, to give the word its ordinary meaning, clearly must have contained Blackburn’s Notice of Copyright if the originals did. No right was granted to use or sell *ought* but a *duplicate*.

Thus, when County commenced publishing, using and selling maps *without* the notice, it clearly exercised rights not granted and to which it was not entitled, and thus infringed the copyright.

The Supreme Court, in *Manners v. Morosco*, 252 U.S. 317, 327, 64 L. Ed. 590, 594, says:

As was said by Judge Hough in a similar case:

“There is implied a negative covenant on the part of the . . . [grantor] not to use the ungranted portion of the copyright estate to the detriment, if not destruction, of the licensee’s estate. Admittedly if Harper Brothers (or Klaw and Erlanger, for the matter of that) permitted photo plays of Ben-Hur to infest the country, the market for the spoken play would be greatly impaired, if not destroyed.’ *Harper Bros. v. Klaw*, 232 Fed. 609, 613.”

See also:

Kirk La Shelle v. Paul Armstrong, 263 N.Y. 79, 188 N.E. 163;

Uproar, etc., v. N.B.C., 81 F. 2d 373, 377.

By such selling and using without notice, the County has violated that negative covenant.

The intention of the infringer is immaterial if the infringement appears and the lack of intent does not excuse liability.

Metro. v. Webster, 117 F. Supp. 224, 231;

Tackvig v. Bruce, 181 F. 2d 664, 666;

DeCosta v. Burn, 146 F.2d 408, 411;

Advertisers Exchange v. Hinkley, 101 F. Supp. 801; Affirmed 199 F. 2d 313; Cert. Den. 344 U.S. 921, 73 S. Ct. 388, 97 L. Ed. 710.

Implied covenants of good faith have been sustained as to grantors in many cases.

Kirk LaShelle Co. v. Paul Armstrong, 263 N.Y. 79, 188 N.E. 163;

Uproar Co. v. N.B.C., 81 F. 2d 373.

These hold

“that in every contract there is an implied covenant that neither party shall do anything which will have the effect of destroying or injuring the right of the other party to receive the fruits of the contract, which means that in every contract there exists an implied covenant of good faith and fair dealing (citing *Kirk LaShelle*, above). See, too, *Manners v. Morosco*, 252 U.S. 317, 40 S. Ct. 335, 64 L. Ed. 590.”

As to grantees also, such implied covenants have been enforced:

McCord v. Broadcast Music, Inc., 89 N.Y.S. 2d 727;

Underhill v. Schenck, 238 N.Y. 7, 143 N.E. 773;

In re Watterson, Berlin & Snyder, 48 F. 2d 704 (2 Cir. 1931);

Arnold Prod. v. Favorite Film, 298 F. 2d 540 (2 Cir. 1962).

Whenever the Grantor reserves any rights in the work, [and] there is absent a clearly expressed intent to the contrary (*Metro Associated Services, Inc. v. Webster City Graphs, Inc.*, 117 F. Supp. 224), [there is] an implied covenant by the Grantee that he will in the course of exercising his rights under the grant protect the rights reserved to the grantor by

taking whatever steps are necessary to preserve the copyright in the work.

April Productions, Inc., v. G. Schirmer, Inc.,
308 N.Y. 366, 126 N.E. 2d 283;

See *Johnston v. 20th Century Fox*, 82 Cal. App. 2d 796, 187 P. 2d 474, where it is said:

“Appellant was perfectly willing to take the exclusive use of the title without any express obligation on the part of respondents to refrain from letting the book fall into the public domain, as by publishing it without the statutory notice of copyright, or by assigning the copyright to a bona fide purchaser for value. Appellant bargained for use of the title only, with the exclusive right to use it as the title of motion pictures, stage performances, radio broadcasts, television broadcasts, and any use whatever throughout the world, except the right in respondents to continue to use it in connection with the publication of the book for so long as such rights existed under the law. Appellant got just what it bargained for. It cannot complain because it did not get more.”

Another case supporting the implied covenant doctrine is:

Capitol Records, Inc. v. Mercury Records Corp., 221 F. 2d 657 (2 Cir. 1955) which holds that under New York law, the owner of a literary property may, by a negative covenant, subject the use of literary property to restrictions in the hands of a remote assignee. We cite this merely to illustrate how far the courts have gone to protect the proprietor of a copyrightable work.

We, therefore, urge that the trial judge did not err in sustaining the implied covenant.

B. The County's Legal Obligation.

The statute (17 U.S.C.A. §10) is correctly quoted by the County (County Br. p. 17) and, we submit, means just what it says:

“. . . and such notice *shall* be affixed to each copy thereof published or offered for sale . . . by authority of the copyright proprietor . . .”

And, if not so affixed, the copyright value is destroyed.

Mifflin v. Dutton, 190 U.S. 265, 23 S. Ct. 771, 47 L. Ed. 1043.

That has been the consequence of the defendant's conduct here. The County, by its argument on this question, is failing to see the woods because of the trees (County Br. p. 17). If a copyright be destroyed, it is no longer secured. Hence, it *is* a mandatory duty imposed by §10 upon the County (which published and sold under the authority of Blackburn) to affix the notice in order to secure Blackburn's copyright.

The quotation from Justice Hand's decision in the *National Comics* case (191 F. 2d 594) is not, we submit, properly amenable to the interpretation sought to be invoked by the County. That case is obviously the only one where any concept of “exacting” a promise to affix is mentioned, and since there, the contract under the court's scrutiny was completely hypothetical, we submit that this case is, as the lower court held, governed by the other doctrines which we have endeavored to point out.

Dejonge & Co. v. Breuker & Kessler Co., 235 U.S. 33, 35 S. Ct. 6, 59 L. Ed. 113, is authority (contrary to the County's assertion) that "every reproduction of a copyrighted work must bear the statutory notice."

In *Deward & Rich v. Bristol Savings & Loan Corp.*, 120 F. 2d 537, the Court in upholding the statutory duty to affix notices says:

"We know of no decision contrary to this holding, nor does the fact that the defendant first secured the copyrighted book 'A' through a contract paying the plaintiff for the use, change the rule. *Thompson v. Hubbard*, 131 U.S. 123, 9 S. Ct. 710, 33 L.Ed. 76."

The *Thompson* case is clear authority that:

"It is not enough that Thompson, while he owned the copyright, gave the required notice in the copies of every edition he published, while it was his copyright. The inhibition of the statute extended to and operated upon Hubbard while he owned the copyright, in respect to the copies of every edition which he published, and for his failure he is debarred from maintaining his action."

From all of the foregoing, we respectfully submit that the County, both under the implied covenant and under the statute had the positive duty to affix the copyright notices upon its "duplicate" linen tracings and all later copies, and, that having failed to do so, it is liable for the resulting damages.

The Damages.

County questions the evidence as to the proximate cause of the loss in value of the copyright, so we here quote the Record verbatim [R. Tr. p. 82, *et seq.*]:

[Mr. Maury] "Q. All right. What would the effect of those assumed facts be upon the value of the copyright?"

[Mr. Renie] "A. Well, were I publishing the map without a copyright notice it returns it to the public domain, it completely wipes out his copyright and ownership and value. Whenever a copyrighted map is sold or distributed, or part of it, without a copyright notice on it, it becomes public property and any big firm can send it down to their copy department and make all the copies they want for nothing without any danger of infringement."

Q. Then it is your opinion that the copyright had no value at all after all this happened, if it did?

A. Not a bit of value. Otherwise, if he put the copyright on, by selling the map the County would then have it on, the customer would see the copyright notice and the name on there, and buy copies from Mr. Blackburn. That is the way I have always figured too. I have sold tracings to Los Angeles County under the same conditions."

Mr. Blackburn stated [R. Tr. 73, lines 21-25]:

"Q. Don't you believe that the value of your copyright would be more if there had not been sold by you the right to reproduce the map itself and sell it to other persons? A. By leaving the copyright sign off it decreased the value of course. It isn't worth anything now."

We do not urge an intended misquotation of the record by our opponents; their ardency for their cause is admirable.

The statute on damages is 17 U.S.C. 101, and in part reads:

“§101. Infringement

If any person shall infringe the copyright in any work protected under the copyright laws of the United States such person shall be liable:

...

(b) *Damages and profits; amount; other remedies*—To pay to the copyright proprietor such damages as the copyright proprietor may have suffered due to the infringement, as well as all the profits . . .”

Thus, two elements are readily apparent which *may* be the elements of damages: (1) the actual damages “as well as (2) all the profits . . .”

The subject of damages was thoroughly discussed in *Universal Pictures Co. v. Harold Lloyd Corp.*, 162 F. 2d 354 (9 Cir. 1947) by this Court:

“. . . In the instant case Bruckman received no profits, but this does not relieve him from liability for the damages sustained by the appellee for his deliberate misappropriation of the appellee's property as a writer and director. The case of *Washingtonian Publishing Co. v. Pearson*, 78 U.S.App. D. C. 287, 140 F2d 465, relied upon by Bruckman to the effect that authors are not liable for profits which other infringers derive from the infringement, discusses profits only. There is no merit in the contention that Bruckman is not con-

nected or in any way responsible for the infringements, i.e., the public showing of the alleged infringing film. He presents no authority to support his view that he is not liable for damages as a contributory infringer.

• • •

“Appellant—Universal presents several points in opposition to the court’s award of damages: (1) The assessment of \$40,000 is based on speculation and conjecture rather than facts; (2) the testimony of the appellee’s president, Mr. Harold Lloyd, and two alleged experts of what the profits would be on the re-issue or re-make of the plaintiff’s motion picture cannot support the court’s award of damages; (3) there can be no recovery of profits of a new and untried venture, there being no provable data of past business to use as a basis for anticipated profits; (4) there is no evidence of any market value on the re-issue and re-make rights; (5) statutory damages may not be awarded where actual damages or profits are shown; (6) damages should not exceed \$5,000 where there is no knowledge of infringement. Appellant-Bruckman alleges that no damage is proved since there was no data to prove damage and the damages awarded were based on conjecture.

“The court found ‘That by reason of said infringement by defendants and each of them upon plaintiff’s copyright, the Court finds that plaintiff has been damaged by defendants and each of them in the sum of \$40,000.00 . . .

* * * *

“The Court further finds that plaintiff’s rights to reissue and remake said motion picture photoplay entitled ‘Movie Crazy’ were substantially damaged and impaired by reason of said infringing acts of defendants but that the extent to which said rights were impaired and damaged did not and does not exceed the sum of \$40,000.00.

* * * *

...

“The authorities support the doctrine that uncertainty as to the amount and extent of damage will not deprive the appellee of his recovery. In *Sinclair Refining Co. v. Jenkins Petroleum Process Co.*, 289 U.S. 689, 697, 53 S.Ct. 736, 739, 77 L.Ed. 1449, 88 A.L.R. 496, the court discusses a patent infringement in which it says, in part, ‘A patent is a thing unique. There can be no contemporaneous sales to express the market value of an invention that derives from its novelty its patentable quality. . . . But the absence of market value does not mean that the offender shall go quit of liability altogether. The law will make the best appraisal that it can, summoning to its service whatever aids it can command. . . . [Cases cited.] At times the only evidence available may be that supplied by testimony of experts as to the state of the art, the character of the improvement, and the probable increase of efficiency or saving of expense.’ At page 699 of 289 U.S. at page 39 of 53 S.Ct. ‘Value for exchange is not the only value known to the law of damages. There are times when heed must be given to value for use, if reparation is to be adequate. ‘. . . the market test fail-

ing, there must be reference to the values inherent in the thing itself, whether for use or for exchange.'

* * * *

...

"See *Bigelow v. RKO Radio Pictures, Inc.*, 327 U.S. 251, 66 S.Ct. 574, 580, 90 L.Ed. 652, in which it is said: 'The most elementary conceptions of justice and public policy require that the wrongdoer shall bear the risk of the uncertainty which his own wrong has created. . . .

" 'The constant tendency of the courts is to find some way in which damages can be awarded where a wrong has been done. Difficulty of ascertainment is no longer confused with right of recovery' for a proven invasion of the plaintiff's rights. [Cases cited.]

* * * *

...

"We are of the opinion that there is substantial evidence in the case to show that property rights and present existing intrinsic property values have been impaired or destroyed. The testimony of the expert witnesses clearly establishes that the picture's value has been lessened by the appropriation of an important sequence by the appellants, and it is common knowledge that the repeated use of comedy detracts from its force as amusement. The appellants object to the admission of expert testimony to show the value of the plaintiff's (appellee's) property and yet at the same time make use of alleged experts to sustain their position that the motion picture belonging to appellee had no

value. Lloyd, president of the appellee corporation, as well as appellee's other witnessse, were found qualified to render testimony as to the value of appellee's motion picture before and after the misappropriation of the sequence in question."

In *Paramore v. Mack Sennett*, 9 F. 2d 66 (D.C.S.D. Cal., 1925) the late Judge James found damages to be "found entirely by fixing a sale value on the scenario." (p. 68.)

In the District Court decision of *Szekely v. Eagle Lion Films*, 140 F. Supp. 843, 849, it is said:

"The law is clear that where a person is entitled to a judgment for the destruction of a legally protected interest in property, damages include 'the exchange value of the subject matter or the plaintiff's interest therein at the time and place of the conversion or destruction, or a different value where that is necessary to give just compensation,' Restatement of the Law, Torts §927.

"The word 'value' when used in the Restatement may mean either market value, or 'value to the owner.' (p. 849)"

In the Appellate Court's decision in that case (*Szekely v. Eagle Lion Films*, 242 F. 2d 266) affirming the District Court, the Court holds (p. 269):

"This is not a case where there was no market for plaintiff's property. Geiger, even if financially embarrassed, had a property salable in conjunction with plaintiff's. The two together had a substantial value, as proved by the terms of acquisition of the territorial rights by Eagle Lion. Until Eagle Lion distributed the film, plaintiff's rights were

part of a salable bundle. When Eagle Lion distributed the film, in violation of plaintiff's rights, the market ended. The legal injury is certain. We should not allow difficulty in ascertaining precisely the value of the right destroyed, which difficulty arises largely from the destruction, to enable the infringer to escape without compensating the owner of the right."

Blackburn had spent some \$7,500.00 in creating the maps [R. Tr. p. 50, line 8]; and in his opinion, the reasonable value of the copyright as distinguished from the map—an entirely separate commodity—[17 U.S.C. §27] was about \$15,000.00 in 1956.

Jack Renie, the fully qualified successful expert of nearly fifty years' experience in the cartographic field, and the owner of the largest map store in the United States, gave his considered opinion [and he knew the maps under discussion—R. Tr. p. 77, line 22] that Blackburn's copyright had a value in July, 1956, of "between \$15,000.00 to \$20,000.00." [R. Tr. p. 79, lines 19-20] and that this was *destroyed* by the facts narrated and assumed by him from the hypothetical question put [R. Tr. pp. 80-83].

The Court gave due credit to the defendant for the \$1,900.00 paid by it for the rights granted by the contract [R. Tr. p. 111, lines 21-22] with the resultant judgment.

The County's argument (County Br. pp. 26. *ct seq.*) and particularly its argument that other causes for the destruction of Blackburn's copyright's value are effectively in the record, is simply an argument that the trial court should be reversed as to a *finding of*

fact. This, we believe, would be a practice contrary to established appellate principles, given substantial evidence to support the finding.

Fidelity & Casualty of N. Y. v. Griner (9 Cir.), 44 F. 2d 706;

Bogan v. Hynes (9 Cir.), 65 F. 2d 524, cer. den. 290 U.S. 690;

Palmer v. Aeolian Co., 46 F. 2d 746, cer. den. 283 U.S. 851.

And even if this were not so, the County, actually, had no right, either, to alter Blackburn's map. It only had the right "to reproduce and sell *duplicates*"—Exhibit 1.

Any deviation was beyond the scope of the rights granted by the contract, so here, the County is simply trying to take advantage of its own further wrong.

In closing, we quote from the California Supreme Court's decision (which cites with full recognition as the law the *Universal v. Harold Lloyd*, *supra*, decision) in the case of *Golding v. R.K.O. Pictures, Inc.*, 35 Cal. 2d 690 (221 P. 2d 95), at pages 700-701 of the California Reports:

"In support of the appellants' contention that there is not sufficient evidence of the value of the damages sustained by the authors of the play, it is argued that all of the evidence concerning the value of the motion picture rights is found in the testimony of the respondents, no person with experience in the determination of the value of such property being called to testify on their behalf. But the testimony of Faulkner, who stated his opinion in regard to the value of the play, was not neces-

sary as an expert for both he and his coauthor testified as owners of the property. Each of them told the jury that the value of the play before the infringement was between \$25,000 and \$50,000 and that it had no value after the production and distribution of the picture. It is a well recognized rule that the owner of property is competent to testify as to its worth. (10 Cal. Jur. 1023.) ‘Literary property is not distinguished from other personal property and is subject to the same rules and is likewise protected. *Palmer v. DeWitt*, 47 N.Y. 532, 538; 7 Am. Rep. 480. California has held that plaintiffs may testify to the value of an unpublished manuscript prior to misappropriation in *Barsha v. Metro-Goldwyn-Mayer*, 32 CA2d 556, 90 P2d 371.’ (*Universal Pictures Co. v. Harold Lloyd Corp.*, 167 F2d 354.) The testimony of the appellants’ experts that the play contained no material of value for motion picture purposes merely created a conflict in the evidence.”

It is submitted that the judgment should be affirmed, and that, under 17 U.S.C. §116, and *Marks Music Corp. v. Continental Record Co.*, 222 F. 2d 488, in its discretion, this Court should award attorney’s fees for defense of this appeal; and that \$2000.00 (approximately 15 percent of the judgment), would be a reasonable award.

Respectfully submitted,

GEORGE R. MAURY,

Attorney for Appellee.

Certificate.

I certify that in connection with the preparation of this Brief, I have examined Rules 18 and 19 of the United States Court of Appeals for the Ninth Circuit, and that in my opinion the foregoing Brief is in full compliance with those Rules.

GEORGE R. MAURY

